

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6923

BILL NUMBER: SB 303

NOTE PREPARED: Mar 1, 2006

BILL AMENDED: Mar 1, 2006

SUBJECT: Various Motor Vehicle Matters.

FIRST AUTHOR: Sen. Kruse

FIRST SPONSOR: Rep. Duncan

BILL STATUS: As Passed House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill has several provisions regarding motor vehicles and driver's licenses.

Sunday Sales: This bill provides that the prohibition against Sunday sales of motor vehicles does not apply to an auctioneer and allows Sunday sales under certain conditions with the purchase of a \$250 event permit.

Driver's Licenses: This bill revises language pertaining to the requirements for issuance, renewal, and expiration of certain driver's licenses.

21-Year-Old Relative: The bill requires the relative or guardian accompanying a driver less than 18 years of age who holds a learner's permit must be at least 21 years of age.

Corporate Check Accepted: This bill authorizes the acceptance of a corporate check for the original or a renewal of a commercial driver training school license or instructor's license.

Repeals Language: The bill repeals language: (1) requiring a holding of a public passenger chauffeur's license in order to drive certain motor vehicles; and (2) concerning the renewal of the motorcycle endorsement of a driver's license or a motorcycle operator's license.

Identification Cards: This bill revises language concerning the fee for issuance of state identification cards under certain circumstances.

Removes Language: The bill removes obsolete language.

Farm Drainage Machinery: The bill also exempts farm drainage machinery from size and weight regulations.

Selective Service Registration: The bill allows males who are at least 18 years of age but less than 26 years of age to register with the Selective Service System when applying for or renewing a driver's license.

Defines Special Machinery: This bill defines special machinery for purposes of vehicle registration.

Effective Date: Upon passage; January 1, 2006 (retroactive); July 1, 2006.

Explanation of State Expenditures: *21-Year-Old Relative:* This part will have no fiscal impact.

Corporate Check Accepted: Prior to this proposal, corporate checks were not an acceptable method of payment for this license, based to some extent on the soundness, or lack thereof of the particular business. This part should have no fiscal impact.

Farm Drainage Machinery: This part will have no fiscal impact.

Selective Service Registration: This provision will involve expenditures expected to range between \$15,000 and \$20,000 for information technology and forms. The fund affected is the Motor Vehicle Highway Account (MVHA) which supports the Bureau of Motor Vehicles (BMV). This requirement can be implemented within the existing resources of the BMV.

Explanation of State Revenues: (Revised) *Sunday Sales:* Allowing auctioneers to sell vehicles on Sunday under certain conditions with a special event permit may contribute to additional sales. The required special event permit fee is \$250, with the money deposited into the Motor Vehicle Highway Account.

Public Passenger Chauffeur's License: The bill repeals the requirement to hold a public passenger chauffeur's license in order to drive school buses. In CY 2004, there were approximately 3,800 public passenger chauffeur's licenses issued. This bill will reduce the number of these licenses issued. Revenue in CY 2004 totaled approximately \$53,000. The fee for the license is \$14, with \$2 deposited into the MVHA, which supports the BMV, \$4 deposited into the Crossroads 2000 Fund, which supports highway bonding, \$0.50 into the Motor Vehicle Technology Fund, \$1.25 into the Anti-Terrorism Fund, which supports the construction of communication towers for the Integrated Public Safety Commission, and \$6.25 into the state License Branch Fund, which supports the license branches throughout the state.

While there will be a loss of revenue from the repeal of the requirement that a school bus driver have a public passenger chauffeur's license, this will be offset by the potential increase of the issuance of commercial drivers licenses (CDLs). In order to drive a school bus, the driver must possess a CDL. The fee for a four-year CDL is \$30, \$15 of which is deposited into the MVHA, \$14.50 is deposited into the state License Branch Fund, and \$0.50 is deposited into the Motor Vehicle Technology Fund.

(Revised) *Defines Special Machinery:* This part removes special machinery from commercial vehicle (truck) rates to special machinery rates. This will reduce revenue to the MVHA and other funds, the amount of which will depend upon the weight of the vehicle in question. For example, if the declared gross weight of the vehicle in question did not exceed 42,000 lbs., the annual registration fee would amount to \$554.75, with \$449.25 deposited into the MVHA, \$51.98 deposited into the Primary Road and Street Account, along with \$42.52 deposited into the Local Road and Street Account, \$0.25 into the State Police Building Fund, \$4 into the Crossroads 2000 Fund (bonding), \$0.50 into the BMV Technology Fund, \$1.25 into the Anti-Terrorism Fund, and \$5 into the state License Branch Fund. The annual

registration fee for special machinery is \$16.75, with \$3.75 deposited into the MVHA, \$0.25 into the State Police Building Fund, \$6 into the Crossroads 2000 Fund, \$0.50 into the BMV Technology Fund, \$1.25 into the Anti-Terrorism Fund, and \$5 into the state License Branch Fund. The actual revenue loss will depend upon the weight of the vehicles involved. In CY 2004, the most recent year for which complete registration data are available, the BMV registered 9,780 special machinery items.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles and other recipients of MVHA distribution (State Police, Department of Transportation, State Department of Revenue).

Local Agencies Affected: Recipients of MVHA distributions.

Information Sources: Mike Barnhart, Legislative Liaison for the Bureau of Motor Vehicles, 317-233-1218; BMV data.

Fiscal Analyst: James Sperlik, 317-232-9866.